

CITIZENS LEAGUE REPORT

No. 229

**Proposals on General Hospital**

**August 1969**

Citizens League  
545 Syndicate Building  
Minneapolis, Minnesota 55402

APPROVED:  
BOARD OF DIRECTORS  
August 20, 1969

TO: Board of Directors

FROM: Hennepin County General Hospital Referendum Committee, Charles H. Clay,  
Chairman

### I. RECOMMENDATIONS

General Hospital -- with its vital programs of medical education and patient (including emergency) care -- is an essential part of the health care system of Hennepin County. It is critical that these services be maintained. This can best be assured by authorizing the Hennepin County Board (on the immediate issue before the community) to proceed toward the replacement of the institution's deplorable physical plant.

The question of a new facility does present itself in a time of significant change in the health care system. The changing situation will require changes in the institution's program, and in its way of handling its continuing programs. The County Board will be considering carefully, following the referendum, these changes and what they imply specifically for its role, its physical facilities, and its relationship to the rest of the health care system. The soundest policy for Hennepin County is to retain, and to build on, the high-quality programs that now exist. We must not risk their deterioration, where no clear evidence exists that they can be duplicated elsewhere. Specifically, therefore:

- A. We urge the voters of Hennepin County to vote "yes" in the special election September 9 to authorize the issuance of bonds in an amount not exceeding \$25 million for the purpose of acquiring facilities for Hennepin County General Hospital.
- B. We urge the Hennepin County Board of Commissioners, following the referendum, as they explore alternatives for the hospital's program and facilities, to seek full and open comments from a broad range of groups in the county, including organizations representing users of the hospital as well as the formal agencies officially involved in the decision.
- C. We urge the County Board to take as its charge, not simply the rebuilding of Hennepin County General Hospital, but the searching-out of all ways to coordinate, strengthen and improve the health care system in the County and in the metropolitan area.

### II. BACKGROUND

- A. The present committee, and this report, grew directly out of a study conducted by the General Hospital Committee of the Citizens League, released March 20, 1963. That report:
  1. Recommended the transfer of jurisdiction of then Minneapolis General Hospital to the County of Hennepin.
  2. Recommended that the construction of a new hospital be authorized through a referendum in the county at a general primary or special election.

3. Urged Hennepin County officials, once the County acquired responsibility for the hospital program, to move quickly to settle the question of the status of the physical plant.
4. Asked leaders in the private hospital community, if they believe this community has an alternative to the continued operation of a public general hospital, to begin steps immediately to bring forward the specifics of such an alternative.

B. The 1963 Minnesota Legislature did, in fact, transfer jurisdiction of the hospital to the County and provide for a referendum on an issue of bonds to finance a new hospital facility. Subsequently, the County Board took the following steps:

1. Retained the firm of Thorsen and Thorshov to make a study of the physical condition of the hospital and recommend as to its future operation. The study underscored the disadvantages of the system of wards in the present hospital, and found the existing building unsuitable for remodeling to a system of individual rooms.
2. In July 1966 requested the Planning Agency for Hospitals of Metropolitan Minneapolis to develop a proposal for a study of the role of Hennepin County General Hospital. PAHMM agreed to act as contracting agent and recommended the firm of Booz-Allen & Hamilton as consultant for the study. The County Board contributed \$42,000 for the study.

The B-A-H report, submitted in December 1968 recommended continuation of a public general hospital, with "redefined roles and responsibilities"; and recommended construction of a new facility at or near the hospital's present location. It estimated the cost at approximately \$25-\$28 million and recommended a referendum to secure authorization for the County to raise the necessary funds and begin construction.

3. Approved the B-A-H report in principle, following its consideration and approved by PAHMM and the Citizens Hospital Advisory Committee. The consultant had included as part of the recommended plan of action the completion of the so-called Phase III study -- to select the site and to work out the program and relationships with the voluntary hospitals -- before conducting the referendum. The decision of the County Board was to defer Phase III until after the referendum.
4. Set September 9, 1969, as the date for the referendum in a special election.

C. The Citizens League's Board of Directors, recognizing the significance of the issue to all parts of Hennepin County, at its meeting of June 11, 1969, voted to establish a committee to review the referendum proposal and to develop a Citizens League position on the issue.

### III. FINDINGS AND CONCLUSIONS

- A. Importance of services provided by Hennepin County General Hospital -- The committee reviewed the findings of the 1963 committee, and heard testimony from officials of the hospital about the programs carried on by HCGH. We believe the importance of these programs to all county residents is not in dispute. Specifically:
1. Care for patients without private doctors -- There are in this community, and are likely to continue to be, a substantial number of persons who do not have, or who lack the financial resources to secure, privately-organized medical care. This is the group General has served -- and has served well. For this purpose it has developed not simply as a hospital . . . in the sense that the voluntary institutions in this community are "hospitals: . . . but as an institution offering the full range of care -- that is, both the bed care associated with a conventional hospital and the diagnosis and treatment usually associated with a doctor's office. It offers, moreover, a full range of services. In our conversations with professionals in this community, we found no reason to challenge the generally-accepted conclusion that the care offered at HCGH is, in fact, of superior quality. We are quite aware that the occasional long waits in the reception room, the concentration of beds in large open wards, and the generally inadequate physical surroundings do not contribute to the impression of good care. But medically -- because of the staff and because of the presence of high-quality and inquisitive interns and residents in training -- the level of care at General is superior. It is basically for these reasons that -- even though public-assistance patients have for many years had free choice of hospital here -- a stable proportion of them continue to elect to receive their medical/hospital care at HCGH.
  2. Emergency services -- HCGH serves the entire county more directly by standing ready to provide ambulance service and emergency care at the hospital for a broad range of accidents and disasters. It is important to recognize that emergency service is much more, however, than simply the transporting of people quickly to a treatment facility: An emergency room must be a part of a big, full-service hospital, so that patients can be moved quickly into surgery or into whatever care they may require, with doctors almost instantly available to respond to the needs. Emergency business has risen from about 20,000 in 1952 to roughly 80,000 currently. The consultant's report recommends significant changes in the organization of the emergency medical care service in Hennepin County . . . and contemplates the establishment of other "first line" emergency care hospitals in the first tier of suburbs. A central role for HCGH will remain, however, as a backup for these outlying institutions, and as the "first line" hospital for the inner city.
  3. Medical education and training -- The committee is persuaded that we must keep in Hennepin County the nationally outstanding program of education for doctors and other medical personnel now carried on here by HCGH. We concur with the view that the quality of care available to all persons here would decline in the absence of this kind of program, which has attracted top-flight interns and residents to the state and to this metropolitan area. Roughly a quarter of the physicians practicing in Hennepin

County took their internship or residency, or both, at General Hospital, and almost half of General's interns and residents remain to practice in Hennepin County. The supply of physicians for this growing community is, therefore, related to the continuation of a strong, competitive teaching program in this county, and the need for more physicians in the future underscores the importance of plans presently under way at General to expand the number both of interns and of residents. It is critical that programs be strengthened and expanded, and not be -- even inadvertently -- diminished.

4. Research -- HCGH's ongoing programs of medical research, in hyperbaric medicine, kidney dialysis, organ transplants, and other areas, contribute significantly to the quality of medical services in this community.
5. "Public health" functions -- In the absence of a countywide public health department, the HCGH has undertaken a number of programs of importance to the community, including the prevention of contagious diseases, the program of community mental health, and the growing program for the prevention and treatment of alcoholism.
6. Condition of the physical plant -- Nothing in the passage of the last six years would cause us to alter the conclusion reached by the Citizens League committee in 1963:

"1. We concur fully with the generally accepted view that the physical plant at MGH is badly in need of either major rehabilitation or total replacement. Its major structural deficiencies result from a grossly inefficient layout of facilities for patient services and the absence or insufficiency of certain facilities and accommodations commonly provided in any modern hospital. A new or rehabilitated physical plant at MGH would, in addition to providing important intangible or psychological benefits, enable either the provision of the same quality of patient service at less cost or an improved quality of service without a corresponding increase in the cost.

"2. We have now reached the point where the basic decision on the future status of MGH can no longer be postponed. Assuming the continuation of a public general hospital, a very sizable amount of money must be spent, either by undertaking major rehabilitation of the present physical plant or abandoning it in favor of construction of a new public hospital."

We are aware the county has, since assuming jurisdiction, spent considerable sums to improve the physical condition of the facilities. This has not, however, corrected the fundamental design and structural conditions which make a move out of the present facility imperative. It has only made it more urgent that prudent and responsible officials -- and citizens -- reach an early decision on the use of the public money for replacement, rather than for continuing repairs.

- B. No alternative to HCGH is presently available -- A strong argument was made to the committee that, although these programs may be critical to the community, it does not follow that they must, or should, in the future, be provided exclusively by a rebuilt HCGH. Other cities, it was said, do, in fact, have these

programs organized in a basically different manner, with more of the responsibility assumed by the private side of the health care system. Hennepin County could also, it was further argued, move in this direction successfully, if it should decide to do so. On balance, the committee rejected this argument as the desirable policy for the civic and governmental leadership of this County, as this immediate issue about the hospital's future is now presented.

1. Voluntary hospitals proposal -- The essential proposal that responsibility for the care of indigent patients, and for the training of interns and residents, could be shifted into the private hospital community is not new in the Minneapolis area. In a report on Minneapolis General Hospital in August 1953, the Citizens League noted that the preceding November a proposition had informally been made that, as an alternative to building a new General Hospital, consideration be given to providing necessary hospital beds to indigents by adding "free beds" to existing voluntary hospitals. The League pointed out that: "There has been no proposal specifying how many free beds would go to what hospitals, no exact proposal has been made as to what actual services would be taken from General Hospital and delegated to these other hospitals. . . . Many other questions must be answered in any further consideration of the voluntary hospital plan. The existence of these questions does not mean the proposal should be ruled out. The questions do, however, demand answers before the proposal can be given real consideration."

Similarly, in 1963, the Citizens League committee reviewing the proposal to transfer Minneapolis General Hospital to the County was aware that, through the public and, particularly, through the private discussion of this issue, there continued the argument that the voluntary hospitals could pick up the responsibilities presently carried by General. The committee report spoke directly to this point:

"We would regard it as totally unsound to abandon a system of providing medical care for the poor and indigent through operation of a public general hospital . . . with no more than a general hope, or as assumption, that these services could be provided equally adequately and economically in some other way. Before making such a change, convincing evidence should be required demonstrating that the services could be provided equally well in some other way, and that the transition could be accomplished in an orderly way and without serious disruption of the present high level of service. Thus far, no proposal of any kind has been offered suggesting any feasible alternative."

The 1963 report specifically recommended that the leadership of the voluntary hospitals "provide the community with their best professional judgment as to whether the services presently provided by General could, in the future, be provided adequately in some other way. If these leaders believe that this community has an alternative to the continued operation of a public general hospital, then they should undertake immediate steps to make public this viewpoint and should proceed promptly to formulate the specifics of such an alternative."

In response to a questionnaire from the consultant in 1968, two of the hospital complexes did propose alternatives under which the General Hospital could be moved into a new or newer facility, organizationally

or physically related to existing private hospitals. No broader agreement was, at that point, however, reached on these proposals, and they do not now represent, in the judgment of this committee, an alternative that argues persuasively against granting to the County Board authorization to move toward a rebuilding of its present public General Hospital.

2. Risk not justifiable -- Recognizing the long and difficult struggle to work out any generally acceptable proposal for integrating the functions of General Hospital into the voluntary hospital community, it seemed to the committee that to rest now on the assumption that such an arrangement could be satisfactorily worked out, speedily, represents a totally unjustifiable risk for the community to be taking with this valuable medical asset. Any breakup of the General's program -- which would make it necessary to buy in the marketplace the physician services now given voluntarily by the medical community at General -- could also increase public costs significantly. The community can best insure that these critical care and training programs will be continued at their present high level, the committee is convinced, by granting the County Board the authorization to proceed to develop the new General Hospital with its "redefined role and responsibilities."
- C. Questions about HCGH's long-range role do exist -- In all likelihood, most of the questions raised and concerns expressed to the committee would not have been raised except that the urgent need to abandon the existing physical plant has necessarily prompted a discussion of the hospital -- what it is and what it is going to be. The hospital serves the county well, and is well regarded by its residents. Major changes in program would not likely be made at an early date. Nevertheless, the occasion created by the need to authorize a new facility can be -- inevitably, will be -- the occasion for a useful look that otherwise would not have been taken somewhat farther into the hospital's future. A good many questions were considered by the consultant, and many of these have been dealt with in its report. But, in the minds of many members of this committee, some significant uncertainties remain. They may be grouped under the following headings:
  1. Future of the indigent population -- A number of questions in various meetings turned around the central issue of the future of the so-called dual (that is, private and public) system of care . . . recognizing that the medical education program has, traditionally, been based on the collection of publicly-assisted patients in a public general hospital.
    - Is it entirely safe to assume that, in the face of the trend toward free choice of hospital on the part of individuals receiving public assistance, the patient load at the public hospital will be maintained? This involves a complex balancing of possibilities. Will the 20% of the county welfare patients who now have free choice continue to elect HCGH? How rapidly will the roughly one-third of the hospital's patients now there without free choice move into one of the programs that does offer free choice? To what extent will the eligibility limits for public assistance be raised, and expand the supply of patients to offset any decline in the proportion electing General? Apart from the question of the number of patients, what concerns might there be about the nature of the cases coming to General -- from a teaching point of view?

- What will be the effect on the flow of patients into General of any change in attitude within the "indigent" population, who might come to resent what they would see as a perpetuation of a "hospital for poor people," who would be, at the same time, the primary base for the training program of medical personnel in the community? What this presents is the question whether the so-called "dual system of care" should remain. The committee does not concur with the implication, sometimes found in statements by users of the hospital, that the quality of care at HCGH is inferior: To a real extent, the "dehumanizing" or impersonal features that may be found there are characteristic of the practice of medicine today in all institutions, including those for the middle class and well-to-do and those of major national reputation. (A number of things said to the committee led it to believe, however, that HCGH could usefully move rapidly to introduce more of a family-type system of practice into its program of medical care for its users.) Nevertheless, the willingness of people to come to General, as well as the sheer number of people eligible to come, becomes critical in assessing the long-term future of an institution essentially limited to public-pay patients.
- Have projections by the consultant about the future distribution of residence of low-income families in this community adequately taken into account the efforts now under way, and likely in the near future, both to rebuild the "middle class character" of the City of Minneapolis, and to expand housing opportunities for lower-income families in the suburbs?

2. Changes, local and national, in the health/hospital system

- The private hospitals seem to be moving away from their old narrow responsibilities toward a particular religious, ethnic, or private group, and toward a broader sense of true public and community responsibility. Causing this, or resulting from this, (or both), is a steady rise in the proportion of their income from payments for the care of public patients. What is the likelihood that, in the long run, this will provide points of entry into the health care system competitive with General, which has been virtually the exclusive point of entry for indigent populations in the past?
- The quality of care at General has been attributed partly to the presence of interns and residents in the facility, and the stimulus they provide for the attending physicians. Is it possible that improvements in the quality of care in the voluntary hospitals could be made, should a program for the development of teaching in these private institutions be aggressively pursued?

Knowledgeable professionals, and the tentative guidelines being prepared by PAHMM, suggest that conscious efforts be made to develop the benefits of larger-scale operations in the hospital system. . . either by building larger hospitals, or through cooperative arrangements among the existing, relatively small hospitals here. Is this a desirable goal, and how could the decision about HCGH promote it?



- Generally, recognizing the rapidity with which change is affecting almost all areas of government, and recognizing the need to reappraise traditional ideas, has the consultant's report fully anticipated the changes likely and desirable, and all opportunities for "new ways of doing things"?
- Does the argument in favor of a centralized and public program for care and teaching necessarily require a central building? Is it critical to gather the patients together physically? Or only organizationally?

D. Future decisions by the County Board -- This look at the uncertainties that lie in the future did not weaken this committee's basic conviction that it would be desirable now for Hennepin County to make the critical decisions that will insure the continuation of this program of medical care and training. The granting of authorization to the County Board as proposed in the September 9 referendum will, we believe, tend to build in the guarantees that these programs will be maintained at their present high level of quality. This is, we think, an essential piece of insurance: The community has too long neglected its general hospital and also the people who use it. It would be unthinkable at this point to jeopardize their access to a quality of medical care equal to that provided the rest of the community, or to prolong unnecessarily their use of the present sub-standard facility.

Recognizing this as the primary goal, and the primary issue in the forthcoming referendum, this committee is not unduly disturbed by the fact that -- noted by committee members and others, and conceded by representatives of the County and its hospital -- the preparation of a specific, detailed, fully-costed-out plan for the replacement of HCGH's facilities has been deferred until after the referendum. The critical question, we believe, turns around the attitude of the County Board, and the policies it will pursue, following the referendum. One argument made to this committee was that it would be unrealistic to leave any significant issues until after the referendum; that, if questions are not pinned down before the vote, the County will have no incentive to pause for further consideration of them, once the bond issue is approved. We rejected this argument. We did so, not only on the basis of our general knowledge of Hennepin County government and of its top elective and appointive officials, but also on the basis of their assurances -- expressed in resolutions and statements made to this committee -- that the County does, in fact, intend to explore fully with the private hospitals the possibility of new relationships, for emergency care and for teaching; that it does intend to work closely with the agencies doing planning -- whether for the health care system broadly, the hospital system specifically, or the community, through the Metropolitan Council's development planning; and that it will move through these discussions with a genuinely open mind and a concern for basic strengthening of the health and hospital system of the community.

#### IV. COMMITTEE ORGANIZATION AND PROCEDURES

The committee began its deliberations June 27 and met a total of nine times. A number of its members, as lay people and as medical professionals, have had considerable experience with the health care system in the Hennepin County area. Active members of the committee include: Charles H. Clay, Chairman, A. A. Aronson, Clyde E. Allen, Jr., Rev. Robert Bardy, Thomas B. Caswell, Jr., Homer A. Childs, John Colwell,

Mrs. Jack Davies, Lee Doucette, Mrs. Nicholas Duff, Carl D. Elving, Richard J. Fitzgerald, Dr. Kristofer Hagen, Dr. Seymour Handler, John G. Harrison, Ernest Jensen, Roger T. Johnson, Verne C. Johnson, C. Paul Jones, LeRoy Knuths, William Lahr, James P. Martineau, William Milbrath, Clinton Schroeder, Richard Slade, Dr. Norman Sterrie, Harry Sutton, Everett J. Swanson, Dr. William Torp, Mrs. Elva Walker, Wheelock Whitney and Mrs. T. Williams.

In the course of its examination of the issues, the committee met with:

- \* Stanley Cowle, Hennepin County Administrator
- \* Paul Vogt, Administrator, Hennepin County General Hospital
- \* Donald Van Hulzen, Executive Director, Planning Agency for the Hospitals of Metropolitan Minneapolis
- \* Dr. Alvin Schultz, Chief of Medicine, Hennepin County General Hospital
- \* Dr. Michael M. Eisenberg, Mount Sinai Hospital
- \* Jack Rivall, Administrator, Eitel Hospital
- \* William English, Chairman of the Policy and Planning Committee, Minneapolis Model Neighborhood Project

Mr. Cowle, Mr. Vogt, and Mr. Van Hulzen met with the committee on two separate occasions.

The County and PAHMM were good enough to furnish a full copy of the Booz-Allen & Hamilton report for each member of the committee. Throughout, the committee received the fullest kind of cooperation from all county offices and from the personnel at Hennepin County General Hospital. The committee was assisted by Ted Kolderie, Executive Director of the Citizens League.